

IRREVOCABLE LETTER OF CREDIT – STATE OF KANSAS

K-WC 130 (Rev. 6-12)

INSTRUCTIONS:

1. The letter is considered to be security for the purpose of paying workers compensation claims.
2. The format of the Form K-WC 130, *Irrevocable Letter of Credit*, and Form K-WC 130-A, *Trust Operational Agreement*, cannot be altered without permission of the Division of Workers Compensation.
3. It will be the responsibility of the bank issuing the Letter of Credit and/or Trust Operational Agreement to provide the Division of Workers Compensation at the time of the initial issuance of the Letter of Credit and/or Trust Operational Agreement, and prior to the annual relevant expiry day, relevant financial information. A copy of the Bank Fact Sheet is enclosed. **A completed Bank Fact Sheet with a copy of the Bank's latest financial report must be submitted for review and approval, prior to issuance of a Letter of Credit. (If the Bank has a parent bank, then the financials and Bank Fact Sheet data must be from the parent bank.)**

IRREVOCABLE LETTER OF CREDIT

Bank: _____

Letter of Credit No.: _____ Date: _____

Self-Insured applicant: _____

Amount: _____

Beneficiary: KANSAS DEPARTMENT OF LABOR
DIVISION OF WORKERS COMPENSATION
401 SW TOPEKA BLVD STE 2
TOPEKA, KS 66603-3105

Date and place of expiry: _____

We hereby establish our irrevocable Letter of Credit in your favor for the account of

_____ up to an aggregate
(self-insured)

amount of _____ available at your request subject to the terms of this

Letter of Credit drawn on _____
(name of bank)

and accompanied by: The notarized signed Order by the Director of the Division of Workers

Compensation that the purpose of any amounts drawn hereunder is for the purpose of

securing payment of compensation, costs and assessments incurred by the

_____ under the provisions of the
(self-insured)

Workers Compensation Act of the State of Kansas.

1. Each order by the Director of the Division of Workers Compensation presented under this Letter of Credit must state the amount, and that it is drawn upon Letter of Credit Number _____ of the

issued on _____ with an
expiration date of _____.

The amount and date of each draft shall be endorsed on this Letter of Credit.
Partial drawings are permitted.

2. When the bank receives a notarized signed order by the Director of the Division of Workers Compensation under this Letter of Credit specifying the amount to be drawn, the above named bank will deposit these amounts into a trust fund specified on the notarized signed order submitted by the Director of the Division of Workers Compensation.
3. This Letter of Credit is considered by us as automatically extended for a period of one (1) year each from the then relevant expiry day, unless at least sixty (60) days prior to the relevant expiry date we notify you by registered mail that we elect not to extend this Letter of Credit for any additional period.
4. We hereby agree with the Division of Workers Compensation that the amounts requested under this Letter of Credit will be honored when such request is made in compliance with the terms set out in this Letter of Credit.
5. This credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication 600.

Authorized Signature

Type Name and Title